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UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,	:	
	:	
Plaintiff,	:	07 Civ. 4651 (SHS)
	:	
-against-	:	
	:	
WILLIAM WRIGHT, 310 WEST 56th STREET	:	
CORPORATION, BAYVIEW LOAN	:	
SERVICING LLC, NEW YORK STATE	:	
DEPARTMENT OF TAXATION AND	:	
FINANCE, AMERICAN EXPRESS CENTURION	:	
BANK, NEW YORK CITY DEPARTMENT OF	:	
FINANCE, and JOHN DOES 1-10,	:	
	:	
Defendants.	:	
-----	x	

DECLARATION OF CAROLYN FIELDS

I, Carolyn Fields, pursuant to 28 U.S.C. § 1746, declare under penalty of perjury as follows:

1. I am a Revenue Officer Advisor employed by the Internal Revenue Service ("IRS") in its New York, New York office. I have been employed by the IRS for 17 years. I am familiar with the IRS's records regarding assessments against defendant William

Wright ("Wright") for income taxes, and the interest and penalties that have accrued thereon, as well as the IRS's collection efforts to date with respect to Wright's tax liabilities.

2. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 1996 is attached to this declaration as Exhibit A at US 1-4.

3. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 1997 is attached to this declaration as Exhibit A at US 5-8.

4. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 1998 is attached to this declaration as Exhibit A at US 9-13.

5. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 1999 is attached to this declaration as Exhibit A at US 14-17.

6. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 2000 is attached to this declaration as Exhibit A at US 18-22.

7. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 2001 is attached to this declaration as Exhibit A at US 23-26.

8. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 2002 is attached to this declaration as Exhibit A at US 27-30.

9. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 2003 is attached to this declaration as Exhibit A at US 31-34.

10. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 2004 is attached to this declaration as Exhibit A at US 35-38.

11. A true and correct copy of the Certificate of Assessments and Payments (Form 4340) issued by the IRS on April 19, 2007 for Wright's account for Tax Year 2005 is attached to this declaration as Exhibit A at US 39-41.

12. As reflected in the attached Forms 4340, the IRS made assessments against Wright for deficiencies in the payment of his federal income taxes. The date and amount of those deficiency assessments, together with the balances reflecting assessed interest and penalties as indicated on the Forms 4340, are shown in the chart below:

Tax Year	Date of Initial Assessment	Amount of Deficiency Assessment	Assessed Balance
1996	06/02/1997	\$9,564.00	\$10,282.54
1997	06/01/1998	\$10,759.00	\$11,550.44
1998	05/31/1999	\$20,190.00	\$22,765.05
1999	05/29/2000	\$39,495.53	\$41,344.81
2000	05/28/2001	\$32,277.00	\$35,501.28
2001	08/19/2002	\$26,893.00	\$28,830.19
2002	06/02/2003	\$25,851.00	\$27,287.65
2003	05/31/2004	\$21,201.00	\$22,016.02
2004	06/06/2005	\$10,837.00	\$11,292.74
2005	05/22/2006	\$15,576.00	\$16,372.67

¹ The "Assessed Balance" figure can be found on the final page of the Form 4340 for each tax year. This figure represents the balance of all assessment and payment transactions that have been posted to Wright's account as of April 19, 2007. However, the figure does not reflect

13. All of the foregoing assessments are based on the income reported by Wright himself on his federal income tax returns for the Subject Tax Years. The Forms 4340 demonstrate that notices of assessment and demand for payment were issued to Wright, and that despite notice and demand, Wright failed to pay the full amount of the liabilities. *See* Exh. A at US 2-3, 6-7, 11-12, 15-16, 20-21, 25, 29, 33, 36-37, and 40.

14. For each tax year deficiency, the IRS timely filed tax liens in New York County, New York. *See* Exh. A at US 2-3, 6-7, 10-11, 15-16, 19-20, 24, 28-29, 32, 36, and 40. True and accurate copies of these liens are attached to this declaration as Exhibit B.

15. Notwithstanding numerous attempts to collect the taxes owed by Wright for the tax years in question, the IRS has been unable to collect from Wright the full amount of his federal tax liabilities. *See* Exh. A at US 3, 6-7, 11-12, 15-16, 20-21, 25, 29, 33, 36-37, and 40. Except for involuntary payments, Wright has not made any payments toward his federal tax liabilities since 1991, including his tax liability for the tax years 1996 through 2005. *See, e.g.,* Exh A at US 19 (\$500 tax relief withheld) and US 28 (\$400 refundable credit). According to IRS records, the IRS was only able to collect a total of \$6,695.07 from all levies to date with respect to Wright's tax liabilities for tax years going back to 1992.

16. Interest and penalties have continued to accrue over time with respect to Wright's tax liabilities for the Subject Tax Years. The full amount of these accruals is not reflected in the Forms 4340. In particular, the Forms 4340 only show assessments of interest *that have been paid* by Wright; they do not show the interest that has accrued over time in excess

continuing accruals of statutory interest to date, as the IRS does not update its interest assessments on Forms 4340 in excess of the payments made by the taxpayer. As a result, Wright's total current tax liabilities for the tax years in question substantially exceed the balances reported in the Forms 4340, as discussed below. *See infra* ¶ 16.

of these payments. The complete accruals of interest, penalties, and other additions on Wright's tax liabilities for the Subject Tax Years (computed as of June 9, 2008) are reflected in the Account Transcripts for Tax Years 1996 through 2005, attached hereto as Exhibit C. The Account Transcripts show that, as of June 9, 2008, Wright's tax liability will be as follows: \$24,723.06 for Tax Year 1996; \$25,668.10 for Tax Year 1997; \$47,103.52 for Tax Year 1998; \$79,537.97 for Tax Year 1999; \$60,910.78 for Tax Year 2000; \$47,364.02 for Tax Year 2001; \$42,831.78 for Tax Year 2002; \$33,969.44 for Tax Year 2003; \$16,695.73 for Tax Year 2004; and \$22,804.22 for Tax Year 2005, amounting to a total of \$401,608.62 in unpaid federal taxes, including interest and other additions as of June 9, 2008.

17. Statutory interest and additions will continue to accrue on these amounts until the liabilities are satisfied. Accordingly, as of June 9, 2008, Wright will owe the IRS \$401,608.62 for Tax Years 1996 through 2005, plus statutory interest and additions accruing thenceforward, until his liabilities are satisfied.

18. In his returns for 2004 and 2005, Wright filed as "head of household," listing two minors as dependents.

19. In March 2007, Greenthal & Co., the building manager for 310 West 56th Street, New York, New York, advised the Internal Revenue Service that the fair market value of the cooperative apartment 14A owned by Wright was \$650,000.

20. According to the records of the Internal Revenue Service, Wright is an attorney who practices law in an office located at 250 West 57th Street, Suite 814, New York, NY 10107.

I declare under penalty of perjury that the information contained in this declaration is true and correct.

Dated: May 30, 2008
New York, New York



CAROLYN FIELDS